



MONTANA

Management View

*An electronic newsletter for the state government manager
from the Labor Relations Bureau*

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VEBAs meet with mixed reaction

There's a lot of talk in state government these days about VEBAs. VEBAs, or voluntary employee beneficiary associations, allow participants to contribute funds on a pre-tax basis for qualified medical and health expenses and premiums outlined in IRS code. These contributions occur through the employer's payroll. The Governor's budget office directed the State Personnel Division to implement a VEBA option for executive branch employees in October. That option is based on the minimum contribution specified in state law - cash out for one-quarter sick leave at termination. Now, many state agencies and employee groups are trying to decide whether they should participate. These decisions don't come easily. Deciding to participate in a VEBA can be both complicated and contentious.

The concept of VEBAs came about through an interim legislative committee's work to examine options to help retirees pay for escalating costs of health care. The 57th Legislature passed House Bill No. 51, directing the Department of Administration to establish a statewide employee benefit plan under VEBA. The Department of Administration implemented that plan in October. Now, retiring state employees with large sick leave balances can take advantage of VEBAs –

if a majority of their co-workers in their defined organizational unit vote to do the same. That's when things get tricky. Employees who do not intend to make a career in state government, those with health insurance coverage under another plan, or those who simply want the flexibility to spend their sick leave cash out differently will probably not be interested in joining a VEBA.

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Still, they will be bound by the wishes of their coworkers if a majority of voters in their defined organizational unit elect to form a VEBA.

A VEBA vote can be initiated by either an employing agency or the 25 percent of the employees within a defined organizational unit. Some state agencies that considered initiating votes have met with unexpected resistance from employees and their unions. Given recent experience, the State Personnel Division recommends agencies refer interested union employees to their union representatives for information on how to initiate an election. Agencies can advise non-union employees interested in initiating elections to do so within defined organizational units of 10 or more employees.

The Employee Benefits Bureau is charged with the VEBA program design for most public employees in the state of Montana. Bureau staff and contracted educators are available now to explain the program to any public employee group. Contact the Employee Benefits Bureau at 444-3871 for more information or visit their website at:

www.discoveringmontana.com/doa/spd/benefits/veba.asp <<http://www.discoveringmontana.com/doa/spd/benefits/veba.asp>>

To read the interim legislative committee's report, *"Turning Taxable Wages Into Tax-Free Benefits: Tax-Advantaged Health Care Expense Trust Accounts for Public Employees," A Report to the 57th Legislature by the State Administration, Public Retirement Systems, and Veterans' Affairs Interim Committee: 1999-2000,* click: www.leg.state.mt.us/content/publications/committees/interim/1999_2000/state_administration/finalreportveba.pdf

Policies help managers ensure proper employee use of Internet and E-mail

"60 Minutes" commentator Andy Rooney once proclaimed, "Computers make it easier to do a lot of things, but most of the things they make it easier to do don't need to be done." His point isn't lost, even if it is exaggerated. Despite the tremendous worth of computers in our working lives, people can still find a way to do some pretty worthless things on these machines. This **Management View** article aims to help state managers identify, correct, and prevent misuse of state computers.

The vast majority of state employees use computers effectively and responsibly to the great benefit of the public they serve. On rare occasion, however, poor judgment collides with the power of the Internet or E-mail. Maybe an employee uses a state computer to view explicit images that once lurked on segregated magazine racks behind the checkout counter at the quick-mart. Maybe an employee uses state E-mail to circulate so-called "adult" jokes or cartoons among her friends. The unlucky manager who gets to correct the problem almost certainly never dreamed, upon accepting the

manager job, that pornography mitigation would be one of the required duties or responsibilities.

Inappropriate computer use isn't limited to accessing or circulating items of a sexual nature. Chain letters, private e-mail accounts, chat rooms, non-profit or for-profit business, games, political activity, or excessive personal use of any kind – these are all areas of potential or probable misuse of state computers. Managers who have questions about appropriate computer use can get help from their agency experts in human resources and information technology. In addition to statewide ("enterprise") policies on appropriate use, many agencies have developed supplemental department policies to identify acceptable procedures and conduct. The information below is intended to be a starting point for discussion.

Employee behavior and computers

It's no secret that computer technology has tremendously increased our ability to access, receive, and send information. The hardware and software on the average state government desk today has unprecedented capability to help the user provide efficient and effective service to the public. But some supervisors are concerned these upgraded tools have far more capacity for mischief than did, say, the IBM Selectric typewriter when it revolutionized the state work desk in the late '70s with the funky typing ball and magic erase button.

State information technology managers understand the concern and offer some general perspectives and suggestions. They remind us, for example, that machines don't have capacity to commit mischief – people do.

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Technology changes more rapidly than human behavior. In considering whether computers and the Internet or E-mail have

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totally "changed the game" of managing behavior in the workplace, keep in mind the employee who spends excessive time on the computer for personal business is likely the employee who 10 years ago spent excessive time on the phone or at the coffee pot for personal business. A small minority of employees always have and always will need help keeping on task through the use of performance counseling or corrective action.

The state manager's responsibility to ensure employees are performing assigned job duties has not been changed by the proliferation of the Internet or e-mail in the work place. The only change is there's a newer area (computers) in which we need to keep our eyes open to prevent or correct behavior that is disruptive to a state agency. Information technology managers are empathetic to the challenges supervisors face. They encourage firmness balanced with patience. Don't overreact to an incident by unplugging all computers or by yanking everyone's access to the Internet when a single employee exercises poor judgment. Deal with the problem, but continue to support the

good efforts performed by the majority of your workforce. Updated information technology is one of the most advanced and effective ways to support these efforts.

State computer policies

The simplest and best advice for employers who are interested in managing their computer systems responsibly is probably:

- Set the rule for appropriate use;
- Notify employees the rule will be enforced by corrective action, and;
- Clarify that computers and software are the employer's property – employees should have no expectation of privacy in computer use.

State government initiates this through the development and promulgation of policies found at <http://www.discoveringmontana.com/itsd/policy/enterprise.asp>. Consult your department's information technology staff and human resource staff about supplemental computer policies in your agency. Below is some relevant guidance from the statewide policies.

- The Internet has been provided to State employees for the benefit of agencies and their customers. Every State employee has the responsibility to maintain and enhance the State's public image and to use the Internet in a productive manner. *Don't say, do, write, view, or acquire anything that you wouldn't be proud to have everyone in the world learn about if the electronic records are laid bare.* [Enterprise Policy - Internet Services](#)
- All messages created, sent or retrieved, over the state's systems are the property of the State of Montana. Privacy of e-mail is not guaranteed. Employees should not have expectations of privacy for any messages. In drafting and sending e-mail messages, employees should not include anything they are not prepared for the public to read. Statements can potentially become a basis for litigation (e.g. sexual harassment comments) and/or civil or criminal liability. E-mail communication should resemble typical professional and respectful business correspondence. [Enterprise Policy - Electronic Mail](#)

Inappropriate use includes, but is not restricted to: **(1)** circulating chain letters; **(2)** using the state e-mail system for "for-profit" activities, or "non-profit" or public, professional or service organization activities that aren't related to an employee's job duties, or for extensive use for private, recreational, or personal activities; **(3)** statewide distributions of e-mail (the system administrator should be contacted for correct procedures for large e-mail distributions); **(4)** using personal e-mail accounts, such as hotmail, outside of the state provided e-mail system unless an exception has been granted; **(5)** other misuse activities as referenced in policy [ENT-SEC-081 User Responsibilities](#).

- State computing facilities and UserIDs are to be used for the job-related activities. Prohibited uses include: the use of computing facilities, UserIDs, or computer data for purposes other than those for which they were intended or authorized; encroaching on or disrupting others' use of the State's shared

network resources by creating unnecessary network traffic (for example, playing games or sending excessive messages); wasting computer time, connect time, disk space, or other resources; modifying system facilities, operating systems, or disk partitions without authorization; attempting to crash or tie up a State computer; damaging or vandalizing State computing facilities, equipment, software, or computer files); knowingly transferring or allowing to be transferred to, from or within the agency, textual or graphical material commonly considered to be child pornography or obscene as defined in 45-8-201(2), MCA; using computer resources to create, access, download, or disperse derogatory, racially offensive, sexually offensive, harassing, threatening, or discriminatory materials. [Enterprise Policy - User Responsibility](#)

State information technology managers want state employees to understand what it means when they click "OK" every morning in agreement with the statement below. It can't hurt for a supervisor to remind employees what it means if any problems are suspected: *This computer system, including all related equipment, networks, and network devices, is provided only for authorized state government use. Any or all uses of this system and all files on this system may be intercepted, monitored, recorded, copied, audited, inspected, and disclosed to authorized personnel. By using this system, the user consents to such interception, monitoring, recording, copying, auditing, inspection, and disclosure at the discretion of authorized personnel. Unauthorized or improper use of this system may result in administrative disciplinary action and civil and criminal penalties. By continuing to use this system you indicate your awareness of and consent to these terms and conditions of use. Log Off immediately if you do not agree to the conditions stated in this warning.*

Questions, comments or suggestions? Contact the Labor Relations Bureau or visit our website: www.discoveringmontana.com/doa/spd/css

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